Ameren Exhibit 6.0

ILLINOIS COMMERCE COMMISSION

DOCKET 23-_____

DIRECT TESTIMONY

OF

STEVEN R. WOLTER

Submitted on Behalf

of

AMEREN ILLINOIS COMPANY
d/b/a Ameren Illinois

January 20, 2023

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I. INTRODUCTION

A. Witness Identification

Q. Please state your name and business address.

A. My name is Steven R. Wolter. My business address is 2460 N. Jasper, Decatur, Illinois 62526.

Q. By whom are you employed and in what capacity?

A. I am employed by Ameren Illinois Company d/b/a Ameren Illinois (Ameren Illinois or the Company) as Director, Asset and Risk Management.

Q. What are your current responsibilities as Director, Asset and Risk Management?

A. I am responsible for Ameren Illinois capital investment allocation, Ameren Illinois capital investment management, and Ameren Illinois enterprise & asset risk management. My testimony will focus on my knowledge of Ameren Illinois' electric operations.

Q. Please describe your educational background and relevant work experience.

A. See my Statement of Qualifications, attached as an Appendix to this testimony.

B. Purpose, Scope and Identification of Exhibits

Q. What is the purpose of your direct testimony in this proceeding?

A. The primary purpose of my direct testimony is to support the cost recovery of investments incurred to maintain and improve Ameren Illinois' electric distribution network. My testimony outlines the plant additions that will support electric delivery service and are expected to be in service by year end 2022-2027, including the specific projects disclosed in the F-4 Schedule and the Company's major planned investments over $500,000 that have not yet been included in Ameren Illinois' electric rate base, reflected in Ameren Illinois' four-year investment plan, as required by Section 16-108.18(d)(2) of the Act.

Q. Are you sponsoring any exhibits in support of your direct testimony?

A. Yes. I am sponsoring the following exhibits with my direct testimony:

- Ameren Exhibit 6.1 (Confidential & Proprietary) – Ameren Illinois' Major Planned Investments >$500K 2023-2027.
- Ameren Exhibit 6.2 - Summary of all Electric Utility Plant additions for 2023-2027 included in Rate Base, by project, presented in total and after allocation to the Electric Delivery Function.
- Ameren Exhibit 6.3 (Confidential & Proprietary) – Ameren Illinois' Schedule F4.

II. AMEREN ILLINOIS OPERATIONS

Q. Please describe Ameren Illinois' electric system.

A. The Ameren Illinois electric distribution system consists of approximately 46,000 pole miles of distribution lines with voltages from 600 V to over 100 kilovolts (kV). Approximately 84% of these lines are overhead, with the remaining 16% underground. This system serves more than 1.2 million electric customers throughout the lower three-quarters of the State of Illinois. The topography of the electric system varies from flat, rocky, hilly and sandy; it runs through

fields, forests, and across wetlands and waterways. Many communities served are rural, but the Company also delivers electricity to larger areas such as Belleville, Bloomington-Normal, Carbondale, Champaign-Urbana, Danville, Decatur, Galesburg, Marion, Mattoon, Peoria, and Quincy.

Q. Please explain why Ameren Illinois intends to make incremental infrastructure investments in its electrical distribution network between 2023 and 2027.

A. With the filing of this Multi-Year Rate Plan (Rate Plan), Ameren Illinois is electing to participate in Illinois' four-year infrastructure investment program established by the Climate & Equitable Jobs Act[1] (CEJA) and reflected in Section 16-108.18 of the Public Utilities Act (the PUA or the Act), which requires Ameren Illinois to provide a four-year investment plan and a description of the Company's major planned investments, including at a minimum all investments $500,000 or greater.[2] While I am not a lawyer, I understand that Ameren Illinois' infrastructure investment program requires capital investment over a four-year period to meet the objectives of Section 16-108.18 of the Act, including but not limited to the maintenance and improvement of service reliability and safety (particularly in environmental justice, low-income, and equity investment eligible communities); and the adoption of investments to support achievement of Illinois' clean energy policies (including those designed to integrate distributed energy resources, to comply with critical infrastructure protection standards, plans, and industry best practices, and to support and take advantage of potential benefits from electric vehicle charging and electrification).[3]

[1] Public Act (PA) 102-0662, enacted September 15, 2021.
[2] 220 ILCS 5/16-108.18(d)(2).
[3] 220 ILCS 5/16-108.18(c)(1), (3).

At the same time, Ameren Illinois' infrastructure investment program requires capital investment over a four-year period to sustain current safety and reliability system performance levels as well as to upgrade and modernize the electric distribution network to position Ameren Illinois to effectively and efficiently achieve the current and anticipated future energy needs of Illinois, while balancing key considerations of affordability and equity. To achieve the goals set forth in the Act while maintaining the Company's focus on providing safe, secure, equitable, reliable, and resilient power to customers, Ameren Illinois is providing a four-year investment plan (the Investment Plan) that includes descriptions of the utility's major planned investments, including, at a minimum, all investments of $500,000 or greater. Consistent with the requirements of the Act, the Company's Investment Plan is consistent with its Multi-Year Grid Plan (the Grid Plan), which is discussed in greater detail in my testimony filed in Docket 22-0487 (consolidated with this proceeding) as Ameren Exhibit 2.0GP, and is attached to my testimony there as Ameren Exhibit 2.1GP.

III. INVESTMENT PLAN

Q. Why is Ameren Illinois proposing an Investment Plan in this proceeding?

A. While I am not a lawyer, it is my understanding that CEJA requires a utility proposing a Multi-Year Rate Plan to provide a 4-year investment plan, along with a description of the utility's major planned investments over a certain threshold. For Ameren Illinois, that threshold is $500,000. CEJA also requires that the investment plan provide, for those investments, a description of each investment, the location of the investment, and an explanation of the need for and benefit of such an investment to the extent known.[4] The Company's Investment Plan, along

[4] 220 ILCS 5/16-108.18(d)(2).

with its Grid Plan (provided with my direct testimony in Docket 22-0487 as Ameren Exhibit 2.1GP), forms the basis of the Company's forecasted rate base for 2024-2027. The process for developing that forecast is discussed by Ameren witness Mr. Hector Irizarry-Robles (Ameren Ex. 4.0).

Q. Has Ameren Illinois provided this information?

A. Yes. The Company's Investment Plan, attached hereto as Ameren Exhibit 6.1, provides a listing of 417 projects that satisfy the threshold established by the statute. The Investment Plan also provides, for each of those projects, the additional information identified above – a description of each investment, the location of the investment, and an explanation of the need for and benefit of such an investment to the extent known. The Investment Plan (Ameren Ex. 6.1) reflects planned investments for the period 2023-2027 in order to be consistent with the dates reflected in the Grid Plan as well as the Company's forecasted rate base, as discussed by Mr. Irizarry-Robles (Ameren Ex. 4.0). For grid investments over $3,000,000, additional information is provided in the Company's Grid Plan (Ameren Ex. 2.1GP), including the alternatives considered, as required by Section 16-105.17 of the Act.[5]

IV. PLANT INVESTMENT

Q. How does Ameren Illinois generally identify the need for plant investment?

A. Ameren Illinois generally identifies the need for plant investment by looking at, among other things, the operational capabilities and limitations of the existing plant; the condition of the existing plant; current and future economic trends; expected system loads; requirements of its customers or federal, state or local government, federal and state regulations; local zoning laws;

[5] 220 ILCS 5/16-105.17(f)(2)(H)(i).

and the costs and benefits of newer or more modern technology or other system enhancements. The Company relies on these and other planning criteria to evaluate how it should invest to replace, expand, augment, or redesign its distribution plant.

Q. What plant investment costs are included in Ameren Illinois' electric rate base?

A. Most plant investment included in the Company's electric rate base is classified as Distribution Plant. Ameren Illinois' electric rate base also includes distribution-related costs for General and Intangible (G&I) Plant. As explained in the testimony of Ameren witness Ronald D. Stafford (Ameren Ex. 2.0), Ameren Illinois' electric distribution rate base includes only the portion of G&I costs assigned to the electric distribution function. Ameren Illinois has plant assets that are functionalized as supporting transmission service, rather than distribution service; these assets have been excluded from proposed rate base. The Company's electric distribution rate base does not include any electric generation or gas assets. A summary of all capital additions included in the MYRP is presented in Ameren Exhibit 6.2. The Exhibit presents Electric Distribution, Electric General, and Electric Intangible Plant Additions by project on both a total Electric basis and after allocation to the Electric Delivery function.

Q. What is Distribution Plant?

A. The assets that make up Distribution Plant are the assets used to move electric power and energy to customers — in this case Ameren Illinois' delivery service customers — from the transmission facilities to which they connect as well as the G&I plant supporting delivery service. In addition to fulfilling the Company's responsibility to provide safe, adequate, and reliable service, and meet increasing customer expectations, Distribution Plant investments provide value by helping serve customer load, provide additional capacity, meet government requirements, accommodate public projects, promote reliability and resiliency, implement

innovative technologies, promote safety and security, provide for satisfactory customer experience, achieve Illinois Commerce Commission (ICC or the Commission) performance metrics, and ensure Illinois' safe, reliable, and equitable transition to a clean energy future. A safe, equitable, reliable and resilient distribution system also supports our communities by providing an opportunity for business growth and expansion.

Q. How does Ameren Illinois ensure that Distribution Plant investments are reasonable in amount and prudently incurred?

A. Before any major Plant Investment is made, Ameren Illinois employs management processes that identify the need for a particular project, considers possible alternatives, selects a reasonable option based on technical and economic criteria, and plans the design and construction work in accordance with federal and state requirements and generally accepted industry standards. Ameren Illinois also evaluates priorities on an on-going basis, to incorporate emergent changes in capital requests into the prioritization, and to provide for capital allocation decisions into future years. Smaller, routine, or regular investments are managed through Blanket Projects.

Q. Please elaborate on Ameren Illinois' planning criteria for its electric distribution network.

A. A planning assessment of the Ameren Illinois system is performed annually, using input from both a central distribution system planning engineering group as well as region engineering personnel. The distribution system planning engineering group uses system models to annually simulate and analyze the higher voltage distribution system, which includes bulk supply substations, and high voltage distribution lines operating above 15 kV and below 100kV. At the low voltage distribution circuit level, which include distribution substations and circuits

operating below 15kV, region engineering personnel review loadings and prepare a load analysis forecast within their specific areas of responsibility. This analysis reviews current system configuration and loadings along with forecasted growth. Regional engineering identifies known or highly probable future load additions and ensures adequate system capacity is/will be available. In conjunction with the load analysis forecast, an in-depth, comprehensive review of circuits below 15kV is also performed of the Ameren Illinois low voltage distribution system. The Company's distribution system planning and regional engineers combine the load analysis forecast results with load projections for substations that are customer-owned, as well as for wholesale customers. They also consider past growth patterns, weather adjustments, and known customer expansion (both publicly announced projects and projects identified only to Ameren Illinois personnel during the normal course of business). System reinforcements are identified to address the specific system needs based on the load growth trends, age or functioning of existing equipment, spot load additions, and reliability improvements. This assessment process allows the Company to determine where, when, and to what extent projects need to be developed to reinforce the distribution system. The project selection process incorporates system upgrade cost effectiveness, reliability, and safety. Additional details can be found in Grid Plan Section 8: System Capacity Planning

Q. Please explain the process for budgeting and managing Blanket Projects.

A. Blanket Projects encompass many similar activities that are typically of a high volume and lower cost. Most are tasks that are performed repetitiously or continuously throughout the year. Using Blanket Projects enables management to group together categories of individual tasks and track the associated costs collectively. Otherwise, the costs for these routine activities would be spread out across many departments, activities, projects, or functions. Grouping them

provides higher visibility, improves planning and budgeting, and enables better analysis of problems, opportunities, trends, and other attributes of the work, which are all important to ensuring good work management. Generally, Blanket Projects are funded at an annual anticipated spending level. The categories are reviewed during the annual budget review process, and Blanket Projects funds may be adjusted based on information that has become known since the last budget year. Although Ameren Illinois cannot predict the exact future of spending requirements, a historical look back provides a starting point for developing a budget for Blanket Projects. Blanket Projects typically cover year-to-year categories of work, and each individual work request is estimated to cost less than $100,000. Monthly, Ameren Illinois local leadership reviews capital investment plans, including the forecasted Specific Projects and Blanket Projects, to ensure actual spending is aligned to the budget, identify any emergent capital requirements or adjustments, and ensure that funds will be available throughout the remainder of the budgeted period. At the end of each month senior leadership, asset management, and the financial team review any changes recommended by local leadership for approval.

Q. Please explain the process for budgeting and implementing Specific Projects.

A. Specific Projects are generally higher-cost investments or serve a unique purpose and are typically implemented according to a five-year plan.

For distribution infrastructure projects <100kV, the Company implements a process which enables the valuation of projects and project alternatives for capital investment using the Copperleaf C55 tool for projects estimated to cost $100,000 or more. The process is initiated with an engineer/planner proposing an investment in C55 where the project attributes, scope of work, justification, estimated cost, and timeline is defined for all alternatives, based on customer requests, system modeling / studies, maintenance test and inspection reports, and system

performance analysis. The proposed investment then receives a completeness and reasonableness review of the proposed project and alternatives looking for duplicates, companions, justification, alternative descriptions, and cost estimates. After this review, the proposed investment is peer reviewed for scope and feasibility of implementation. The C55 tool then allows the engineer/planner proposing the project to select measures such as safety, reliability, performance, integrity, risk, financial parameters, and business process improvement that contribute to the value of the project. This process and tool are designed to provide a decision support value ranking between potential projects and project alternatives. The Company can then use such decision support rankings, along with other information such as peer, subject matter expert, and leadership input and calibration against other proposed projects, resource constraints, and material lead times, to develop investment plans over a multi-year timeframe. A Central Review Committee (CRC) of operations and finance management leaders and subject matter experts review the investment plans and other emerging needs for new funding or adjustments throughout the year.

For distribution infrastructure projects > 100kV, a project initiator identifies a project, submits it to Oracle Primavera Portfolio Management (OPPM), and includes the scope, justification, benefits, and alternatives along with a high-level timeline and rough order of magnitude cost for evaluation. The projects are classified by drivers such as compliance, age and condition, increased reliability, and interconnections. These projects may support the Transmission system with work on the distribution system to realize the full benefits and to address the issue. After the project is identified it is taken through a scoping process to further refine and define the scope, justification, benefits, alternatives, schedule, and cost. Subject matter experts from across many disciplines are included in this process to ensure that this

information is as complete and accurate as possible. Upon completion of this process the budget is updated, and the project moves to the execution phase where the cost and schedule are further refined along with detailed design being done to finalize the specific scope.

For Digital technology and software projects, an Integrated Long-Term Planning (ILTP) process is applied using a collaborative process with Ameren Segments, including Ameren Illinois, which enables the alignment and prioritization of projects in the Digital portfolio. The process begins with kick-off meetings for each portfolio (Customer, Business and Corporate Service (B&CS), Foundational, Run the Business, Energy Delivery, Field & Grid, Generation/Nuclear, Cyber, Trade Floor and Transmission) with representatives from Digital as well as the Segments, including Ameren Illinois. The kick-off meetings outline the roles and responsibilities of each team, the timeline, and the process to ensure the projects that are ultimately prioritized and approved meet the needs of the Segments, including Ameren Illinois.

Following the kick-off meetings, the Company then focuses on the identification of investment needs by portfolio. Working sessions between Digital and Segment representatives are held to discuss the investment needs, high level scope details, and benefits of the specific projects identified. These investments are prioritized by year and a business case is then created or updated in the OPPM tool for projects estimated to cost $100,000 or more. The business case contains project attributes, scope of work, justification, estimated cost, alternatives, benefits/value, and project timeline. The Digital Capital Planning team then provides a completeness and reasonableness review of the proposed specific project including project description, justification, alternative descriptions, benefits, cost estimates, and timeline.

After this review, the proposed investments are reviewed in dedicated sessions with Digital leadership and Segment leadership, including Ameren Illinois. Leadership discusses the

sequencing and pacing of investments taking into consideration resource and system dependencies. Once those reviews are complete, final decisions are made by the Ameren Segments, including Ameren Illinois. These dedicated leadership review sessions enable prioritization of the proposed projects while also ensuring refinement of project scope, timing, costs, and benefits/value.

Q. Once funding for a Specific Project or Blanket Project is approved, how does Ameren Illinois proceed to manage the implementation of that investment?

A. The Company follows a structured project management approach to implement projects following Ameren corporate policy with a coordinated approach across multiple project portfolios and project management organizations. Specific Projects have an individual who acts as a project manager. Typically, the individual project manager is responsible for managing the project implementation. In the case of larger projects, there will be a full-time project manager assigned who is responsible for the overall implementation. The project manager ensures that the investment cost is managed in accordance with the approved level of spending, that risks and contingencies are monitored and managed, and that scheduling is aligned to meet in-service dates and timeline requirements such as those needed for long lead time materials or contractor resources. Actual project costs are monitored and reviewed on a monthly basis. Project management oversight is provided by committees specifically designated by leadership for project review for projects or programs with expenditures above a certain threshold. If changes occur on a project, the project management team is notified in a timely manner so that decisions and approvals can be made to keep the project within acceptable tolerances for cost and schedule changes.

Monthly, the responsible leadership teams review the project forecast to ensure actual and forecast spending is aligned to the budget, and that funds will be available throughout the remainder of the budgeted period and timing, and the projects are on track to meet their specific in-service dates and approved expenditures. At the end of each month, senior leadership and the financial team review any changes recommended by local leadership for approval.

Q. Once funding for Specific Projects or Blanket Projects is approved, is there a process to reassess the approved level of funding for a particular asset?

A. Yes. As part of the standard business practice, Ameren Illinois reviews the capital budget and forecast monthly. A central review committee (CRC) meets monthly to review the status of projects and Ameren Illinois' expenditures. This ongoing review ensures alignment between available funds and the projects which support safe and reliable service. As priorities change, Specific Projects placed in that budget and planned for that year may be deferred or cancelled for a variety of reasons. For example, priorities and projects may change due to emergent customer requested work or customers deciding not to pursue the work, higher priority work identified due to inspection and maintenance data or integrity management assessments, emergency work that is identified, or government relocation work that is being requested or being deferred. In addition, design changes, permit requirements, and land or rights-of-way acquisition are all factors that can cause the timetable for completion of a Specific Project to be postponed or extended. Necessary new projects may be identified as well. Likewise, Specific Projects may also be expanded, accelerated, or added to the budget during the year to address reliability concerns or changed circumstances. Any available capital – within the limits of the approved aggregate budget – may be reallocated from deferred or cancelled Specific Projects into other Specific Projects that require additional funding or into standing work orders. Without the

flexibility in allotting and reallocating available funds, a utility cannot adequately react to and manage changes in priorities so that it can continue to provide a level of service that remains safe and reliable. This ongoing process ensures high priority, and consequently, previously unknown, but necessary, work can be funded and completed within the required timeframe.

For distribution infrastructure > 100kV, the CRC is supplemented with an ongoing review that ensures alignment between available funds and the projects actual and forecasted budget along with the schedule taking into account changes in priorities, cost and schedule. Examples causing these changes are emergent projects, a deferral of a project, higher priority work identified due to inspection and maintenance data, emergency work that is identified, or government relocation work that is being requested or being deferred. The Ameren Transmission Budget Management Team (TBMT) reviews these changes and addresses them using the available approved budget to shift the project timing and reallocate costs of projects impacted by the above scenarios. This flexibility and continuing process ensures the high priority and necessary emergent work is executed in the required timeframe to provide safe and reliable power to our customers.

For Digital technology and software, due to the nature and extent of Ameren Digital's work, the CRC is supplemented with Ameren Digital monthly meetings with Ameren Illinois and Ameren Missouri's Finance and Asset Management/Capital Governance teams to review the status of projects in the budget, investment spending as well as any emerging demands. As the year progresses and priorities change, needs may change in a way that could eliminate, reduce, or defer Specific Projects. Likewise, Specific Projects may also be expanded, accelerated, or added to the budget during the year. Any available capital – within the limits of the approved aggregate budget – may be reallocated from deferred or cancelled Specific Projects into other Specific

Projects that require additional funding or into standing work orders. If additional funding is needed throughout the year, these requests must be approved by the Ameren Illinois and Ameren Missouri's Finance and Asset Management/Capital Governance teams, in consultation with Ameren Illinois and Ameren Missouri leadership. This ongoing review ensures alignment between available funds and the projects to meet and exceed our customer expectations, enable the growth of connected devices on the grid, support implementation of regulatory requirements, drive operational performance, enhance our cybersecurity posture, and reduce risk all in a manner that considers both equity and affordability. Without the flexibility in allotting and reallocating available funds, Ameren Illinois cannot adequately react to and manage changes in priorities. This ongoing process ensures high priority, and consequently, previously unknown, but necessary, work can be funded and completed within the required timeframe.

Q. What amount of gross plant investment has Ameren Illinois included in rate base?

A. As identified in the testimony of Mr. Irizarry-Robles (Ameren Exhibit 4.0), the amount of gross plant investment included in Ameren Illinois' proposed electric distribution rate base, after ratemaking adjustments, as of December 31, 2027, is $11.458 billion, $9.681 billion of which is considered electric distribution plant.

Q. Has Ameren Illinois also included in rate base the electric plant additions projected to be placed in service by December 31, 2027?

A. Yes. The rate base derived from Ameren Illinois' Federal Energy Regulatory Commission (FERC) Form 1 data reflects plant investment placed in service as of December 31, 2021 that support electric delivery service. In addition, the Company has included in rate base the electric plant additions projected to be placed in service as of December 31, 2027. The total of actual plant additions through August 2022 and projected plant additions for September 2022 through

December 2027 are based on budgeted electric distribution and G&I plant additions. Mr. Stafford's testimony and exhibits identify and support the plant costs from the FERC Form 1 data and projected plant additions that Ameren Illinois is including in rate base. It is my understanding that, before ratemaking adjustments, approximately $4.029 billion in projected plant additions related to electric distribution plant for 2022-2027 has been included in rate base.

Q. Can you provide additional detail on the 2022-2027 projected plant additions?

A. Yes. The projected plant additions include $2.889 billion in electric distribution plant, $495 million in electric general plant, and $645 million in electric intangible plant for a total of $4.029 billion million in projected plant additions.

Q. How do the 2024-27 projected plant additions compare to 2021 actual plant additions?

A. The table below summarizes the plant additions from 2021 and projected plant additions for 2024 to 2027 attributed to Electric Distribution including the appropriate allocation of General and Intangible Plant via the ASP as explained by Mr. Stafford for comparison:

(millions)	2021	2024	2025	2026	2027
Distribution Plant	$381.9	$481.6	$524.0	$520.5	$560.0
General Plant	$60.9	$88.6	$60.9	$87.3	$102.7
Intangible Plant	$45.3	$69.1	$112.9	$123.3	$108.4
Total	$488.1	$639.3	$697.8	$731.1	$771.1

Q. Do you believe that the 2024-2027 projected plant additions will be used and useful by December 31, 2027?

A. Yes. Based on Ameren Illinois' procedures concerning the implementation of capital investments and the internal review of budgeted plant additions conducted in preparing this rate

filing, I believe that the Company will place in service, by December 31, 2027, the aggregate amount of projected plant additions included in the revenue requirement.

Q. Do you believe that the projected plant additions are reasonable in amount and will be prudently incurred?

A. Yes. Again, based on the Company's procedures concerning the implementation of capital investments and the internal review of budgeted plant additions conducted in preparing this rate filing, I believe that the 2024-2027 projected plant additions are necessary to ensure safe, adequate, and reliable service, and will be executed in a prudent and timely manner and at a reasonable amount.

VI. SPECIFIC AND BLANKET CAPITAL PROJECTS

Q. What additional testimony are you providing on 2023-2027 capital expenditures?

A. In addition to my testimony above on the types of plant investments that Ameren Illinois has included in rate base, I will provide additional testimony on the 2023-2027 Specific Projects disclosed on the Schedule F-4.

Q. Are you familiar with the Commission's filing requirements in Section 285.6100?

A. Yes. Although I am not a lawyer, it is my understanding that the Commission's Part 285 rules require any utility seeking a general increase in rates to include in its testimony certain information related to capital projects listed on its F-4 Schedule. 83 Ill. Adm. Code 285.6100(a). Specifically, in the Schedule F-4, Ameren Illinois must provide the following information for its top ten most costly electric additions that meet the minimum cost of project threshold: 1) a description of the investment project; 2) the date the investment project started; 3) the date the investment project was completed; 4) the cost to complete the investment project; 5) the reason

for the investment project; 6) the alternatives considered and the reasons for rejecting each such alternative; and 7) a list of reports relied upon by management when deciding to pursue the investment project. 83 Ill. Adm. Code 285.6100(b). It is my understanding that the management reports have been included as workpapers to this filing. For any remaining projects on the F-4 Schedule, Ameren Illinois would have to provide the following information: 1) a description of each investment project; 2) the cost to complete each investment project; and 3) the reason for the investment project. 83 Ill. Admin. Code 285.6100(c). I have attached the F-4 Schedule to my testimony as Ameren Exhibit 6.3.

Q. What is the applicable minimum cost of project threshold for the F-4 Schedule for this filing based on Ameren Illinois' year-end 2022 electric rate base?

A. It is my understanding that the Illinois Administrative Code uses the utility's "net plant" from its most recent ILCC Form 21 to determine the number of projects for which information must be provided in the rate filing. For electric utilities like Ameren Illinois with net plant equal to or greater than $1 billion, the minimum cost of projects for which information needs to be provided under Section 285.6100 is the higher of 0.1% of net plant or $2,000,000. For Ameren Illinois Electric, it is my understanding that the 0.1% of electric net plant or the applicable minimum project cost is $8.776 million, based on the "net plant" reported on the ILCC Form 21 filed in 2022 for calendar year 2021.

Q. Does the electric "net plant" reported on the ILCC Form 21 include transmission plant?

A. Yes. The electric "net plant" reported on the ICC Form 21 includes both Distribution Plant and Transmission Plant.

Q. What specific projects are identified on the F-4 Schedule for this filing?

A. The F-4 Schedule identifies specific projects that the Company expects to be placed into service by year end 2023-2027, meet the pertinent electric “net plant” cost of project threshold, and are not currently in the rate base ordered in the utility's most recent rate proceeding. For G&I plant additions, Ameren Illinois has relied on the projected electric-allocated portion of the G&I plant addition for determining whether the specific project meets the "net plant" threshold.

Q. Have you reviewed the list of projects provided in compliance with Section 285.6100(a)?

A. Yes. Ten (10) projects met the criteria for inclusion and are included on Ameren Illinois' Schedule F-4 per Section 285.6100(b). Twenty (20) projects met the criteria for Section 286.6100(c).

Q. Please describe the 30 projects that exceed $8.776 million in projected "net plant" additions.

A. The following projects are listed on Schedule F-4:

- 27722 – Incremental Storm
- J117V - AIC Portfolio Capital-ITCST 27
- J0MJW - Private LTE IL Metro-AIC
- J0RD7 - Private LTE IL Metro-AIC BKHL
- J102L - AIC - ELEC - 2027 Vehicle Purchases
- J117T - AIC Portfolio Capital-ITCST 26
- J0VPT - AIC - ELEC - 2026 Vehicle Purchases
- J0RHJ - AIC - ELEC - 2025 Vehicle Purchases

- 24789 - TBD - TDD Spare Xfmrs ISD 2025+
- J0M1F - AIC - ELEC - 2024 VEHICLE PURCHASES
- D9995 - AIC ELECTRIC DAMAGES CLAIMS
- J0MJ0 - FSCT Fin Trans ERP to Cloud AIC
- J0K2S - AIC - ELEC - 2023 Vehicle Purchases
- J10P1 - OTTC Supply Chain Operations-24-AIC
- J1187 - AIC Portfolio Capital-ITFEN 26
- J0KMK - AIC Portfolio Capital-ITCST 25
- J1188 - AIC Portfolio Capital-ITFEN 27
- J01HK - BL Powerhouse Sub – Rebuild
- J08QK - Springfield Facility Replacement
- J0PJZ - Champaign OC Renovations
- J118J - AIC Portfolio Capital-ITRTB 27
- J0RWJ - Belleville New Facility - J0QL3
- J0KMQ - AIC Portfolio Capital-ITEDY 25
- 24788 - TBD - TDD Distrib Spare Xfmrs
- J1183 - AIC Portfolio Capital-ITEDY 26
- J0KMX - AIC Portfolio Capital-ITRTB 25
- J0KMS - AIC Portfolio Capital-ITFEN 25
- J118H - AIC Portfolio Capital-ITRTB 26
- J0KM8 - AIC Portfolio Capital-ITBCS 25
- J01PN - Victor - Bulk Xfmr Addition

Q. Why are these projects necessary?

A. These projects are necessary to maintain and improve Ameren Illinois' electric distribution network to ensure safe delivery, reliable operations, and support customers' needs. Ameren Exhibit 6.3 identifies the specific justifications for each listed project.

Q. Does Ameren Exhibit 6.3 identify the work that is required for these projects?

A. Yes.

Q. Does Ameren Exhibit 6.3 identify the projected capital costs for these projects?

A. Yes.

Q. Does Ameren Exhibit 6.3 identify the reason for the project?

A. Yes.

Q. Does Ameren Exhibit 6.3 identify the commencement and expected completion dates for these projects?

A. Yes, for the top ten most costly additions.

Q. Does Ameren Exhibit 6.3 identify the alternatives considered for these projects?

A. Yes, for the top ten most costly additions.

Q. You mentioned above that Ameren Illinois also budgets certain capital expenditures in Blanket Projects. Why does the Company use Blanket Projects?

A. As mentioned above, the term "Blanket Project" is used to describe many similar activities in which a high volume of individually minor or low-cost tasks is performed repetitiously or continuously. Much of the core work on the electric systems is low-cost, high-volume, routine-type work that is repetitious in nature and performed consistently throughout the

year. Categorizing these investments under Blanket Projects enables management to group together the costs of individual tasks that otherwise would be spread out across many departments, activities, projects, or functions. Grouping these tasks gives them higher management visibility, improves planning and budgeting, and allows the Company to better analyze problems, opportunities, trends, and other attributes of the work, which are all important to ensuring good work management.

Q. What processes are in place to ensure Blanket Project costs are prudently incurred?

A. Blanket Project budgets are reviewed prior to budget approval to ensure that budgeted costs can be supported and justified by historical spend, current economic trends related to economic growth or decline, material and fuel prices, or other evidence that would lead to a material increase or decrease in the blanket costs projections as compared to historical spend. After a Blanket Project has been approved in the budget, whenever there is a confirmed change in the forecasted cost or scope, the work order must be revised and reapproved as soon as possible. An approved revision must be obtained before the total spend pursuant to authorized purchase orders exceeds the approved work order expenditure limit, except in unforeseen circumstances when immediate work is required to avoid adverse impacts on project safety, quality, or schedule. The blanket cost change threshold applies when expected project costs vary from the spending limit authorized pursuant to the approved work order by 10% or $250,000, whichever is greater; or $500,000 or more, regardless of percentage. The change in scope applies whenever there is a change affecting the project's purpose, functional objectives, accounting treatment, or design requirements from that incorporated in the most recently approved revision of the Work Order, even if there has been no change in the expected project cost.

Q. Have you reviewed the forecasted electric Blanket Projects costs for 2023-2027?

A. Yes. In preparing this filing, I have reviewed the forecasted electric Blanket Projects for 2023-2027. In addition, a comprehensive review was conducted prior to the 2023-2027 construction budget being prepared. The review completed over the course of budget preparation would challenge increases or decreases in project budgeted amounts without necessary evidence to justify the change. In addition, monthly reviews are completed at an officer level, as well as between officers and managers, to discuss financial and operational performance as compared to the budget. Any revisions to existing work orders or any new work orders must be approved by management in accordance with Ameren Corporation’s capital expenditure procedures. The forecasted electric Blanket Projects for 2023-2027 can be found in Ameren Ex. 6.1.

Q. Do you expect that the electric distribution assets funded by the Blanket Projects will be used and useful in serving Ameren Illinois' electric customers?

A. Yes. I expect that the assets installed under the provisions of these blanket work orders will be used and useful in serving Ameren Illinois' delivery service electric customers by December 31, 2027.

Q. Do you believe the projected 2023-2027 Blanket Project costs are reasonable in amount and will be prudently incurred?

A. Yes. Blanket work order projects are reviewed on a regular basis and are subject to the Corporate Project Oversight Committee's policies. Therefore, it is my belief that the assets have been and will continue to be prudently incurred and reasonable in amount.

V. CONCLUSION

Q. Does this conclude your direct testimony?

A. Yes, it does.

APPENDIX

STATEMENT OF QUALIFICATIONS
STEVEN R. WOLTER

I received a B.S. in Electrical Engineering from the University of Illinois in 1993 with an emphasis in Power Systems. I am also a Licensed Professional Engineer in the State of Illinois and the State of Michigan. I joined Illinois Power Company d/b/a Ameren IP n/k/a Ameren Illinois as an Engineer in 1999. I have previously held the positions of Engineer – Transmission & Distribution Design; Engineer – Substation and Relay Maintenance; Asset Performance Lead – Asset Management; Supervising Engineer – Asset Management; Manager – Asset Management; Manager – Relay Maintenance Engineering and Operations; and currently Director – Asset and Risk Management. In my current position, I am responsible for AIC capital investment allocation, capital investment management, and enterprise and asset risk management. Prior to joining Ameren Illinois, I held the position of Lead Electrical Engineer with Black & Veatch in their Power & Energy Division, primarily responsible for generation station design and electrical system studies.